

FISCAL NOTE

HB 137 - SB 176

February 21, 2007

SUMMARY OF BILL: Removes the supplemental bridge benefit from any person covered under the mandatory retirement provision who retires or who has retired on an early retirement benefit. Authorizes local governments that have adopted a mandatory retirement age requirement of 60 years of age or older, but less than the age requirement for receipt of Social Security benefits, to pass a resolution requiring the supplemental bridge benefit to be paid to any of its current or former Group 1 public safety officers prior to age 60 if the member retires with 30 or more years of creditable service.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$667,000 Annual Amortized Cost

Increase Local Govt. Expenditures*:

\$222,000 Annual Amortized Cost

Exceeds \$4,000,000 Annual Amortized Cost/Permissive

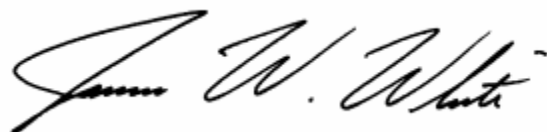
Assumptions:

- Total lump sum liability to state government of \$7,493,000.
- Annual amortized cost includes a 20-year lump sum liability.
- Funding ratio for state employee cost between state and federal is 75% state and 25% federal.
- Local government expenditures will exceed \$4,000,000 if all counties authorize such benefits.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director